

SENIOR ANSTEEL EXECUTIVES STRENGTHEN GINDALBIE

TWO NEW NON-EXECUTIVE DIRECTORS APPOINTED AS PART OF SHARE PLACEMENT

Gindalbie Metals Limited (ASX: GBG – “Gindalbie”) is pleased to announce the appointment of two new non-executive Directors to its Board as representatives of its major shareholder and joint venture partner, Anshan Iron and Steel Group Corporation (Ansteel).

The appointments – of **Mr Yu Wanyuan and Mr Chen Ping**, both of whom are senior executives with the leading Chinese steel and iron ore company – have been made as part of the \$162.06 million share placement to Ansteel, which is in the process of being completed.

Mr Yu is currently Vice President and Chief Financial Officer of Ansteel and Manager of Ansteel Finance Company, positions he has held since 2001. He was previously Assistant General Manager and Deputy Chief Accountant with Ansteel and, before joining the Group in 1998, held a number of senior academic and management positions at the Northeastern Institute of Technology in China.

Mr Chen is currently Vice President of Ansteel and the former Chairman of its subsidiary Ansteel Mining Company. He held a wide range of engineering and senior management positions with Ansteel Mining Company since 1982, including Assistant Manager, General Manager and Chairman. He was appointed as Vice President of Ansteel in November 2005.

Gindalbie’s Chairman, Mr George Jones, welcomed the new appointments. He said Mr Yu and Mr Chen, who together with the existing non-executive director Mr Wang Heng make up Ansteel’s representation on Gindalbie’s nine-member Board, would further strengthen the depth of expertise at Board level and cemented the relationship with Ansteel.

“The Gindalbie Board is now exceptionally strong across the key areas of technical, financial and legal,” he said.

“We already have a strong relationship with both Mr Chen and Mr Yu at executive level within Ansteel and we look forward to continuing to work closely with them in the months and years ahead,” he said. “Mr Chen, in particular, has a long history with Karara, having been part of the original Ansteel party that visited the project in 2005 and recognised its significance and potential.”

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About Gindalbie Metals Ltd (ASX: GBG)

Gindalbie is well advanced towards achieving its vision of becoming a leading independent Australian iron ore company with a diversified portfolio of magnetite and hematite production assets, located in the Mid West region of Western Australia.

The initial focus of Gindalbie's growth strategy is the Karara Iron Ore Project, located 225km east of Geraldton, where it will deliver initial production of Direct Shipping Ore (DSO) hematite in 2010 to be followed by production of high grade magnetite concentrate and blast furnace quality pellets in 2011. Karara is being developed through a 50:50 Joint Venture with Ansteel, one of China's leading steel and iron ore producers.

Gindalbie's longer term growth will be propelled by the exploration and development of its extensive 1,900 sq km tenement portfolio, which includes numerous prospective magnetite and hematite exploration targets expected to deliver a long-term pipeline of growth opportunities.

About Ansteel

Ansteel is currently China's second-largest steel producer and the biggest iron ore miner. It is the major producer in the north-east region of China, with crude steel production of 35 million tonnes and plans to increase output to approximately 50Mtpa. Ansteel is considered to be one of the country's key growth companies and has strong government support in securing new sources of long-term iron ore supply through international investment.

Ansteel has developed a new integrated iron and steel making facility at Bayuquan, adjacent to the Port of Yingkou, approximately 100km south-west of its current steel making facilities in the city of Anshan. The new facility has the capacity to produce 6.5Mtpa of finished steel products. Once the Karara Project is in production, its products will be the key feed source for Bayuquan.

For further information, visit www.ansteelgroup.com

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